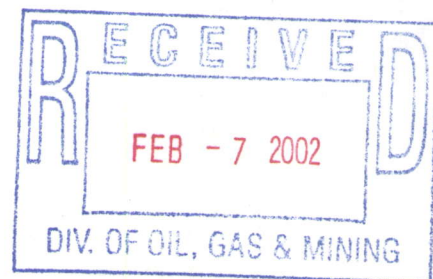


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114-5801



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

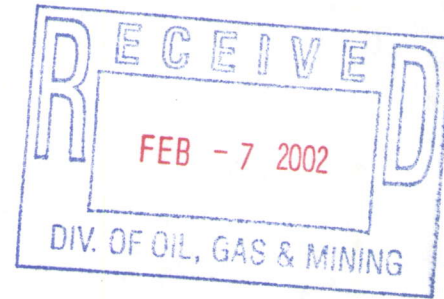
1. Report Time Period: From: **1/2001** To: **12/2001**
2. DOGM File Number (Mine No.): **M/035/015**
3. Mine Name: **North Impoundment / Salt Air / Tailings**
4. Mineral(s) Mined (or permitted to mine): **Copper and associated metals.**
5. Type of mine: ☒ Surface Mine or ☐ Underground Mine
6. Legal Description, (Location of Lands Affected):

*T1N, R2W, Sec. 31 S1/2 S1/2 & Sec. 32 S1/2 SW1/4;
T1N, R3W, Sec. 35 S1/2 S1/2 & Sec. 36 S1/2 S1/2;
T1S, R2W, Sec. 4 SW1/4 SW1/4 SW1/4, Sec. 5, Sec. 6, Sec. 7 N1/2
N1/2, Sec. 8 N1/2 N1/2, Sec. 8 eastern border, Sec. 9 W1/2 W1/2,
& Sec. 17 E1/2;
T1S, R3W, Sec. 1, Sec. 2, Sec. 3 E1/2, Sec. 10, Sec. 11 N1/2 and SW1/4,
Sec. 12 N1/2 NE1/4 and Sec. 15 N1/2*

Salt Lake Base Meridian, Salt Lake County, Utah

7. Name of Operator or Company: *Kennecott Utah Copper Corporation*

8. Permanent Street Address: *P. O. Box 6001*
8315 West 3595 South
City, State, Zip: *Magna, UT 84044*
Phone: *(801) 569-7553*
Fax: *(801) 569-6408*



9. Company Representative (or designated operator):
Name: *William J. Adams, Ph.D.*
Title: *Director, Environmental Affairs*
Business Address: *P. O. Box 6001*
City, State, Zip: *Magna, UT 84044*
Phone: *(801) 569-7553*
Fax: *(801) 569-6408*

X Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes X No

2. In no - when was the last year of activity? *N/A*

3. If yes - how much ore or mineral was mined?

56.3 million short tons

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

The new north tailings impoundment perimeter dike and related facilities are completed and it is receiving tailings material. All operations are inside the area initially disturbed by construction.

5. How much **additional acreage** was disturbed during the past year?

No additional acreage was disturbed during the past year.

6. How much acreage was **reclaimed** during the past year.

No final reclamation was accomplished during the past year. Temporary seeding was practiced as a dust control measure on inactive areas.

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

Temporary seeding was practiced as a dust control measure on inactive areas.

8. What is the **total** disturbed acreage of the entire project at years end?

3556 acres

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Temporary seeding will continue in 2002 as necessary for dust control.

NOTE: Section III., "Additional Information" applies only to **large mining operations.**

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.

A facilities map will be provided by February 28, 2002

2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be submitted.

N/A

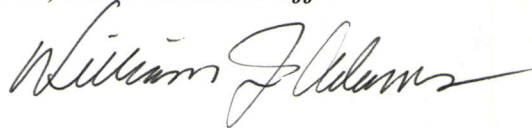
IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name: *William J. Adams, Ph.D.*

Title of Operator: *Director, Environmental Affairs*

Signature of Operator:



Date:

1/31/02

